GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:657
ANSWERED ON:10.05.2002
FDI INFLOW
M.H. AMBAREESH;MANIKRAO HODLYA GAVIT

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there has been continuous decline in the foreign investment inflow in the country for the past few years;

(b) if so, the actual foreign investment registered during the year 2001-2002 as compared to the previous two years;

(c) whether the Government have identified the reasons for declining trend of FDI inflow in the country;

(d) if so, the details thereof; and

(e) the steps being taken by the Government to boost foreign direct investment in the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) to (e) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 657 FOR ANSWER ON 10.5.2002.

(a) & (b) : No, Sir. There has been considerable increase in FDI inflows during 2001-2002 compared to the previous two years. The yearwise inflows during the last three years are as under :-

Year (April - March)	FDI Inflows (excluding ADRs/GDRs and advance pending issue of shares) (Rs. in Crore)
1999 - 2000	9,404.05
2000 - 2001	10,732.61
2001 - 2002	18,654.11

The inflows during 2001-2002 were 98.36% and 73.81% higher than that of 1999-2000 and 2000-2001 respectively.

(c) & (d) : Do not arise.

(e) : The Government is making continuous efforts to promote India as a preferred investment destination by providing an internationally competitive investment climate in terms of policy framework, factors and institutions. The FDI policy is reviewed continuously for carrying out progressive reforms.